

**NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
STANDING COMMITTEE MINUTES
Monday, March 7, 2016**

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, March 7, 2016, at 5:00 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner McKiernan, Co-Chairman; Commissioners, Townsend, Murguia, and Walters. Commissioner Walker was absent. The following officials were also in attendance: Kathleen VonAchen, Chief Financial Officer; Joe Connor, Gordon Criswell and Melissa Mundt, Assistant County Administrator; Ken Moore, Chief Counsel; Ryan Haga and Misty Brown, Legal; Emerick Cross, Commission Liaison; Chris Slaughter, Land Bank Manager; Greg Talkin, Neighborhood Resource Director; and John Turner, Sergeant-at-Arms.

Co-Chairman McKiernan called the meeting to order. Roll call was taken and members were present as shown above.

Approval of standing committee minutes from January 4, 2016. **On motion of Commissioner Walters, seconded by Commissioner Townsend, the minutes were approved.** Motion carried unanimously.

Measurable Goals:

Item No. 1 – 16472...MEASURABLE GOALS: NEIGHBORHOOD RESOURCE CENTER 2015 REPORT AND 2016 GOALS

Synopsis: Presentation of the 2015 Neighborhood Resource Center Report and 2016 Goals, submitted by Greg Talkin, Neighborhood Resource Director.

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NRC 2015-16 Report

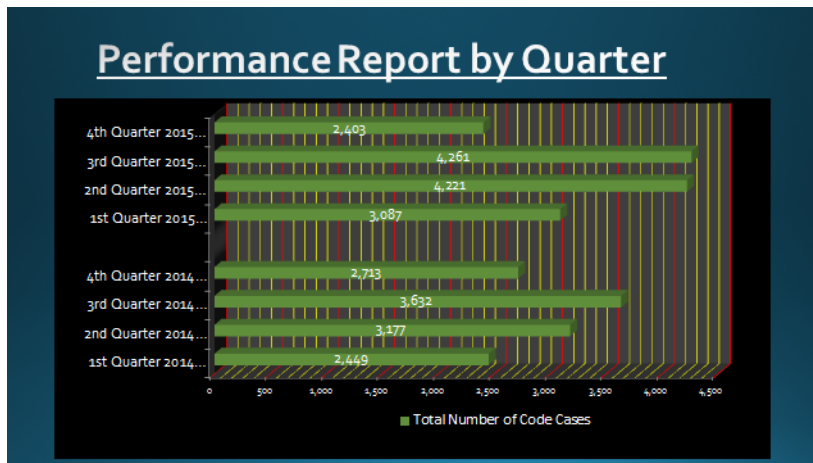
Greg Talkin, Neighborhood Resource Director, said thank you for having me here tonight to give you some information from the Neighborhood Resource Center: 2015 accomplishments and 2016 things we've got going on this year.

NRC 2015 Performance Metric

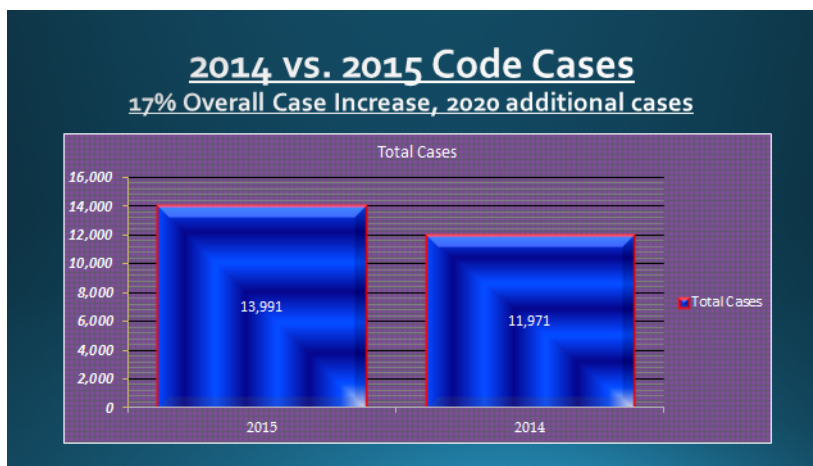
- The established Performance Metric for the NRC was a five percent increase in overall Code Enforcement cases.
- Based on the Citizens Survey, in October of 2014, we continued our vehicle enforcement efforts from 2014 into 2015, conducting five separate blitzes and addressing 1,816 illegal vehicles.
- Efforts to address the junk, trash, and/or debris continued into 2015 with established minimums per inspector assigned to their individual goals.

In 2015, our one performance matrix that we developed for the NRC was a 5% increase in overall Code Enforcement cases. We achieved that and I'll show a graph here in a second. A lot of how we achieved that was based upon some vehicle glitches that we continued from 2014 into 2015. This was an item that was in the last community survey as a big item. We have tools to address inoperable vehicles. We can tow them; take care of the problem so the issue doesn't just sit there. We also stepped up efforts for junk, trash, and debris doing more abatements.

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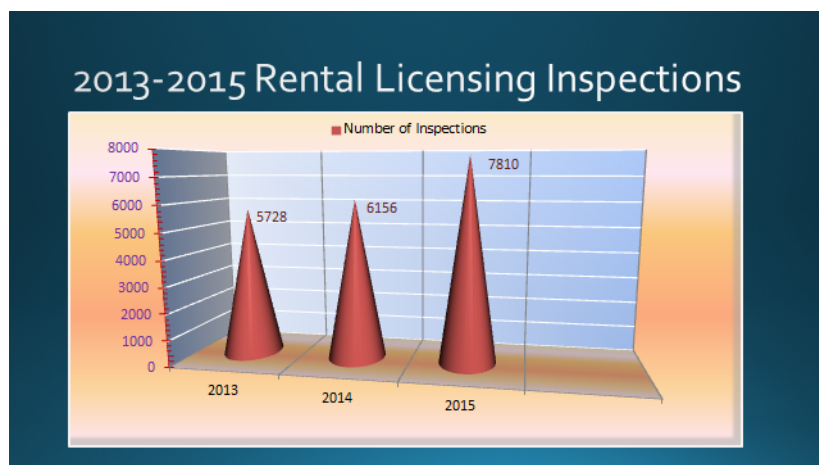


I'm going to go ahead and skip over this one. This is just by quarter.



By year, we had approximately a 17% overall increase in cases for the Code Enforcement Office. You can see we had a total of 13,991. We had an increase in every quarter except for the last quarter we had a little bit of a decrease. I contribute that to the people trying to burn some of their additional time, that additional bonus pay and things along that line. It seems like we had a lot of staff out on vacation and stuff toward the end part of the year.

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In addition to the Code Enforcement efforts, I thought it would be good to also indicate that Rental Licensing is a partner in dealing with the code issues with rental property. We had over a 20% increase in the number of inspections that they did in 2015.

2016 Tasks

- NRC Goals
 - Update MAUWI version from 7.2 to 7.3
 - Start database change from and Oracle environment to Sequel
 - Kick-off Administrative Fine Process
 - Recommend update of Building and Property Maintenance Codes
 - Continue Inoperable Vehicle Enforcement efforts
 - Emphasize trash clean up-QRTT and abatements
 - Bring Rental Licensing staff back up to capacity
- Build upon the SOAR Summit
 - Work towards using data
 - Educate UG Departments in their roll of addressing blight
 - Develop strategical responses for the conditions that are present
 - Subcommittees forming-Data/Communication/Research

2016, we have a lot of stuff going on. Some of this stuff is in the Capital Budget that was approved in the last budget process. We were updating our database from Version 7.2 to the most current version 7.3. We're doing this in preparation for the next bullet item. We're changing our environment from an Oracle environment to a Sequel. This is an item that DOTs has been on us for a long time because they can't support Oracle anymore. Several years back we updated Oracle the best we could and we've been operating on it, but now it's time. We're out of compliance. We need to switch to the Sequel which, in the long run, will save money even though it's costing us for this conversion because DOTs will be able to support this. They have the staff onboard.

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The other thing that will help us here is that as we start to do more reports and retrieve data and use data more, everything DOTs does in Sequel Reports Writer so we'll be converting all of our reports to Sequel Reports Writer which means that the data will transfer easier back and forth between databases.

Also, we are in the process of trying to finalize the administrative fine process. The last item that we pretty much have is determining the hearing officer. Our plans are to kick this off during the latter part of April. We are anticipating moving a lot of our cases that go to Municipal Court toward the administrative process. This is one that we talked about a few times here. What it does for us is it allows us to reach out to those individuals that are out of town, do an administrative fine because we can't get them in Municipal Court. If it's not paid, we have the ability to move that to a special.

I know we don't collect on a lot of specials, but I will tell you one of the best examples I have on this is that we had a subdivision out in the western part of our community and the owner of the development lived in Texas and the property had a lot of value and basically told us to go ahead and send me a summons. I'm not coming. I'm in Texas. There, we had property value. It would have gotten paid and we would have made an impression with them.

We are also moving forward with—we've got committees meeting on developing a recommendation that will be brought to the governing body for the adoption of new codes and standards. We have been with the International Code Council Standards for the last 10-15 years. The one thing that we're doing a little bit different here though, those codes come out every three years. The most recent version is 2015; however, nobody in the metro area adopted the 2015 Standards. Kind of a Core4 initiative but also trying to keep our codes and standards more equal across the metropolitan area, we've all decided to stay on the 2012. We're going to adopt the 2012. We're currently under the 2009. What that does for us, it brings us one step closer to being updated but it also gets us into compliance with that six-year period for floodplain management.

We are getting ready to startup inoperable vehicle enforcement efforts again. We had to stall that a little bit at the beginning of the year because of our update in MAUWI. We had to use a lot of staff to do testing and we're still kind of doing that. We're pretty much through that phase. Starting this month, we will have our first vehicle list.

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We are also in the works of emphasizing trash cleanup and QRTTs and abatements. For those QRTTs (Quick Response Trash Team), those abatements or that stuff that sits out by the curb, things along that line where we can abate within 24 hours for the most part. Regular abatements take about a 10-day process, but that's trash on private property.

We're also going to work toward bringing Rental Licensing staff back up to capacity. We have lost two of our inspectors here. We lost one at the moment. He took a position in Community Development. We also have one of our inspectors is getting ready to retire.

The last item, the last several items, basically is to talk a little bit about the SOAR Summit. I believe you guys have heard some talk about this. It was an initiative by the Administrator's Office to bring a lot of departments together in an effort to try to address blight. I believe it's been a great effort and we're moving forward. This whole process, in my eyes—one of the things I see is we will be using data more. We need to use, for instance, we've got to determine what those data points are. That's one of, I believe, one of our next steps but we need to use economical data. One of the things that Overland Park uses is the school data on free lunches. That's just an example using code enforcement, demolition, and crime. There are a number of factors that we need to determine what our data factors will be to overlay these maps to find out where we strategically put our resources. What I mean by strategically, an example of that might be if we have an area that really everything is delinquent in taxes and they're all vacant. Maybe the best strategy there is, for instance just an example, turn that to greenspace or something along the line. Would it be worth sending Code Enforcement in there to address vacant property when we don't have owners to really hold accountable? Maybe would be an economic development project too in that area, something along that line.

I jumped a bullet here. Educate UG departments in their role in addressing blight. As I stated, the SOAR Summit brought a lot of departments together. I think a key here is a lot of departments do a lot of things and they really don't know the impact they have on blight. I think by educating our other departments that this would be key in knowing that they do have an impact on things. Public Works in their improvements to streets actually has an impact on blight. The Delinquent Tax office doing the tax sales has an impact on blight. I think that's a key in moving that forward.

The next step, from my understanding, is there will be subcommittees that will be forming. One will be data to determine what data points we use to do our maps and graphs.

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Communication. One of the things that came out is a lot of times other departments don't feel like there's proper communication going back and forth to actually help them understand what's going on and the impact they have. Research. That group would be ones to look at best practices, things out there that other cities are doing, things along that line to discuss and see if they would fit for our community.

Co-Chairman McKiernan said I would really like to applaud the Administrator's Office and all the departments that have gotten together so far. I've come to learn over these years that no one department or even a couple of departments in isolation have the capacity to address these issues. Certainly, if we don't bring other departments into the picture trying to resolve these code tickets on the backside, it doesn't matter how many you write because if they're not getting resolved, then we still don't get where we want to go which is the elimination of blight.

I'll give you one example of a house I just got an email on today. The owner lives in California; the house has been vacant for four or five years now. It had a small fire in it a few years ago but we put that out. The front door was opened today but bless his heart, the owner pays the taxes every year and the owner pays the specials for us to cut his grass every year. Now there's something wrong with that picture if by simply paying those taxes and paying those specials, that owner can just keep control of a property that is creating blight and most likely danger for everyone in that neighborhood. Your department has done its job relative to that particular property in terms of citing it and abating it. It's going to take a bigger effort than your department alone to do that. I really appreciate the fact that the Administrator's Office has brought this all together.

Commissioner Walters said we didn't talk really about demolition. Is that not a part of this particular presentation? **Mr. Talkin** said it is. We can answer questions. Actually, Erin Downing is here. She's the Demolition Coordinator. If there's anything specific that she...**Commissioner Walters** said maybe you could give us an overview. Are we on a plan to catch up on demolition or to stop getting further behind on demolition? Just what is our goal for 2016? **Mr. Talkin** said correct me if I'm wrong, Erin, but I believe we did get—last year we got a little bit of an increase in funding. This year we did not. There was a \$1,000 special fund that

was put in another area, but we did not get an increase this year. **Erin Downing, Demolition Coordinator**, said we didn't get an increase in funds this year. There was an additional \$100,000 that I thought we were going to get an increase but it's no longer there in my budget. **Mr. Talkin** said it was the special fund that was put aside for a lot of the business development. It ended up in demo at first, but then it really wasn't the right location. It got moved back out. It can be used for demo, but it would be at basically the Economic Development's discretion to use it for demo for promotion for some type of business.

Commissioner Walters said given that, what is your outlook for 2016. Are we going to make progress? Are we going to fall further behind? Are we going to tread water as far as the number of houses we have on the list? **Mr. Talkin** said with current funding, we're going to continue to fall further behind. How many did we take down last year? **Ms. Downing** said 62. **Mr. Talkin** said we took down 62 and we probably added...do we have any idea how many we added last year? **Ms. Downing** said about 3 a week are getting referred. **Commissioner Walters** said 3 a week would be 150 or so, so we essentially added 90 or 100 to the list to be demolished.

Co-Chairman McKiernan said that really comes back to my point about stopping, about getting resolution of these code cases so that we stop that slide toward demolition. We've got to get on the front side of this because on the backside, we're falling further and further and further behind. Erin and I just did some math and we came up with about—it would take about \$2.5M to catch up on residential structures that are on the list today. Assuming no other structures came onto that list tomorrow, we would spend \$2.5M to take down all the ones that are currently on the list, not necessarily need to be demolished, just on the list having been processed. That's where I keep coming back. We've got to put more resources on the front side of this and stop them from sliding toward demolition if at all possible so that we can—we'll spend the same amount of money but we'll protect our tax base and not lose all of these properties from taxable status because we've lost the properties and now instead of a \$30,000 structure, we've got a \$1,000 vacant lot.

Commissioner Walters asked is that the \$100,000 that you're referring to targeted toward identifying these properties that we can seize. For example, the one you gave an example of that's current in its taxes but it's not habitable...**Co-Chairman McKiernan** said but it's creating blight...**Commissioner Walters** said it's creating a problem. We have a legal authority

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to do something about that outside of the tax sale process. Isn't that the \$100,000 that we included in the 2016 budget to do exactly that? **Mr. Talkin** said the \$100,000 was, like I said, that was in Economic Development. It can be used for demo, but it's for—for instance, if a business was going to redevelop a site, a new business, they could use that money to tear down an old structure on the property. It's all based upon trying to promote economic development.

Co-Chairman McKiernan said but I think Commissioner Walters is talking about not this money but other money that would effectively seed a program where we could gain control of those abandoned structures that are not eligible for the tax sale. That's where we end up in a lot of problems is that this owner who is paying his taxes every year, keeps that structure out of the tax sale but it is absolutely creating blight on that. It's a corner lot so it creates double the blight than it might be if it was buried in the middle of the block. We, my personal opinion, need to start exhausting what legal resources and means we have available to us but some of those are going to require some seed money so fair market value, for example, to be offered as part of a proceeding. That is not that \$100,000 that I'm aware of.

Commissioner Murguia said I would like to know which one of these goals that you have presented is actually going to start reducing the amount of blight in Wyandotte County. **Mr. Talkin** said I definitely believe the impact that we've had with inoperable vehicles has made a—I mean it's been a success in that we've reduced a lot of those junk vehicles that are throughout our community. That's been the biggest impact that we've had.

Commissioner Murguia said right, but moving forward, which one of these goals is going to help us reduce the overall blight in our community. **Mr. Talkin** said there are two things that I believe are going to be big: the administrative citation process is going to change a lot of the way we do things. Once again, I think it will reach out to some of those out-of-town people when they know they're still going to get hit with this fine just because they don't come to court. Once again, by continuing to tackle the inoperable vehicles another year in a row, we'll make an impact.

Commissioner Murguia asked are there any other goals on here that are going to reduce blight in our community directly. **Mr. Talkin** said I believe there's going to be a lot that will continue to come out of the SOAR Summit when we figure out how we all can work together.

On the Code Enforcement side, unfortunately, a lot of our problems, as Commissioner McKiernan alluded to, when we don't have an owner to hold accountable, the only thing we can do is go through and do the minimal abatements that we have. We don't have the hammers and the nails and we don't do the rehab nor do we necessarily want to do the rehab in a lot of instances.

Commissioner Murguia asked so we currently—you're saying that we currently don't have the legal ability to address blight. **Mr. Talkin** said we have a legal ability to address a lot of different types of blight. We have the Demo Program that we can get rid of a lot of the demo properties. We don't take ownership of that property, but we have a legal process that we go through to be able to raze that property. We are addressing inoperable vehicles, once again, which are a big blight and factor and was a big issue in the community survey. We have the ability to abate trash on property if the owners don't take care of it; put that on as a special. We have a lot of ways of addressing a lot of the blight and conditions, but we don't have a solve-all for everything.

Commissioner Murguia said I think we're a long way from solving everything. There are a lot of issues to solve. It doesn't take but five minutes or a minute outside of City Hall here to drive around and see. You don't have to look for blight in Wyandotte County; it kind of jumps up and slaps you in the face when you're in your car east of 635 for ten seconds or less.

I've been here for a long time now, for nine years, and this is a big issue for me because the number one call I receive as an elected official is residents concerned with blight in our community. I hear the same thing every year; actually, whenever we talk about this that we just don't have the ability to address these issues. Frankly, I'm just not buying that because other communities don't have some of the issues that we have. Clearly, there has to be a way to develop a community that doesn't have the extent of blight that we do. I'm very frustrated with that, beyond frustrated with that.

Every year for a long time when I would hear these specific line items that were supposedly going to help us improve the situation, I would get hopeful, but actually on the ground I would see no difference in our community. If you're saying that—I don't know what else to do since nobody else seems to be asking the question. I'm only one of ten. I'm alarmed. I drive through it. I think my district is better, frankly, and that's because of the hard work of the

people that live there and their collaborative partnerships with me and working through the process that way.

I drive through other districts and candidly over the last nine years, I've seen blight get worse instead of better. I'm not sure we're moving in the right direction. I'm not sure I'm okay with hearing that we just can't do anything about it. I think there are ways.

Since you're saying, for tonight's purposes, since you're saying that you believe the two primary ways to directly reduce blight in Wyandotte County would be the kickoff of the administrative fine process, I actually want to see benchmarks on where we're at today and how we're different six months from now, a year from now, another six months from then. I want to hear every six months, at least, how we're moving in the right direction with the administrative process, the administrative fine process, and how that's making a difference. I don't mean to be cynical. I have yet to see an idea that's making a difference. It just is what it is. I want to see that.

I don't even know what this SOAR Summit is but there has always been a lot of talk around cleaning up blight and cleaning up Wyandotte County but there's never any action. You hear it all the time. Nathan Barnes was here for 11 years and I listened to him for a good portion of that talk about vacant lots and the overgrowth of vacant lots. Candidly, from the time I met him until he left, it didn't seem to get any better so there wasn't really any success, I don't think, there. So with more conversation, because we've had a lot of conversation about this, is going to be the solution.

I'd like to know, again, what the benchmark is on the SOAR Summit, what we're expecting to get from that and how it's actually going to change. I don't really want to set a standard—I don't think the goals I'm looking for are—we have two employees, now we're going to have four. I don't really care how many employees you have or your department has. What I care about is how the number of employees you've requested and you've asked us to pay for are making a difference in the condition of our community. I don't really care about the administrative fine process. I really don't. What I care about is how that process is going to make our county cleaner and have less blight and make it more marketable to the fair market so we can grow our tax base and bring in more revenue and make our county better for everyone. I'm trying to be specific here so no one is guessing when they leave.

Again, educating UG departments. I see all that. All this says administrative—absolutely. We want to educate UG departments in their role in addressing blight. Again, I don't care how educated they are. I want them to address it and I want to see how, with numbers, it's different from today than it's going to be a month, six months, or a year from today.

We throw out these sort of broad brushed sorts of things but we seem to have lost sight about making a difference in the actual blight of the community. I just hope we can develop some real benchmarks that we can point to some real on the ground successes. I find it absolutely appalling and it's just one story that Commissioner McKiernan talks repeatedly about these properties that have been up for 15 – 20 years in his district that we can't seem to figure out how to handle that in a more timely fashion before they ruin an entire neighborhood. Hopefully, we can come up with some real solid goals that everyone can get and understand and everybody feels the difference in.

Co-Chairman McKiernan said I could not agree more strongly with that. In a lot of the neighborhoods—and I'll only speak for my district, in a lot of those neighborhoods, they could tip and go one of two ways. We could have a block that is full of tax paying properties or we could have a block that's full of vacant lots. The one thing that I have learned in my shorter time here is how the problem is so much bigger than just the Code Enforcement Department. As Commissioner Walters just said, there are some tools that could be used by us, legal tools, tax tools, that we may not be using. It is time that we started to bring those tools to the table and use them to the full extent of our ability. Where Code Enforcement, as a department, only plays a part of the total role or the total effort in this and it does have to be a coordinated effort. I do think our assistant county administrators sitting here completely understand that and are working toward coordinating our departments toward a broader effort. I have said and I will echo Commissioner Murguia again, I can't stand to lose too many more houses on my blocks.

I'll just say for everybody here, Erin and I were talking about a house that recently burned down and will be demolished shortly, at an expense to us. That house was vacant for four years and it was tax delinquent for four years. We didn't move on that house for four years. Finally, the campfire that some transient built in it got out of control and burned it down. The loss of that one house on that one block—and I went back and looked at the appraised values of

all the parcels on that block three years ago and looked at those again today, and the appraised value of that block is down \$75,000. That's \$1,500 in property taxes that we can't collect because we can't even bill for it because the appraised value is no longer there. If we take \$1,500 of lost property taxes and multiply it by every block in my district, that's a black hole. It will pull us all in. It will have its own gravity and we won't be able to get out. I do appreciate the fact that it is a multidepartmental effort and I am confident that we now have the direction. As Roy Williams used to say, the want to to make this happen, because we cannot, as a county, afford not to make it happen.

I am confident that we, as a group, will begin to make the measurable progress that Commissioner Murguia mentioned. I look forward to the report when we get it back because it will be exciting.

Action: For information only.

Committee Agenda:

Item No. 1 – 16473...COMMUNICATION: LAND BANK APPLICATIONS

Synopsis: Communication requesting consideration of the following Land Bank applications, submitted by Chris Slaughter, Land Bank Manager.

Applications

1412 Freeman - Shauna Adams for yard extension

1410 Freeman Ave. - Shauna Adams for property acquisition

(The Land Bank Advisory Board recommends passage thru to the full commission of the application for Land Bank parcels 1410 and 1412 Freeman Avenue on behalf of Shauna Adams.)

Chris Slaughter, Land Bank Manager, said we have seven applications. I'd like to break these into the first two and if there's any discussion on those then we can talk about the last five. That is for 1412 and 1410 Freeman. **Co-Chairman McKiernan** asked so you're asking for action on those two out of the seven, and then we'll consider the other five as a group. **Mr. Slaughter** said or if you want to do discussion and have action on all of them. It's whatever works for you guys.

Action: **Commissioner Townsend made a motion, seconded by Commissioner Murguia, to approve the first two.** Roll call was taken and there were four "Ayes," Walters, Murguia, Townsend, McKiernan.

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407 Cleveland Ave. - Trinity AME for development

415 Greeley - Trinity AME for development

419 Greeley Ave. - Trinity AME for development

416 Quindaro Blvd. - Trinity AME for development

428 Quindaro Blvd. - Trinity AME for development

(Both the church and Oak Grove Neighborhood Group met 2/15/15, to discuss development.)

(The Land Bank Advisory board does not recommend the passage thru to the full commission of the application for Land Bank parcels 415 Greeley, 419 Greeley, 407 Cleveland, 416 Quindaro and 428 Quindaro on behalf of Trinity A.M.E. due to the applicant's inability to fulfill the obligations set forth in the deeds of the below properties acquired thru the Land Bank from 2009-2012:

2009 429 Waverly Ave.
432 Greeley Ave.

2010 2319 N. 5th St.

2012 2313 N. 5th St.
2315 N. 5th St.
2317 N. 5th St.
2200 N. 4th St.
2210 N. 4th St.
420 Waverly Ave.

Mr. Slaughter said now we have the five applications brought back for Trinity Church: 407 Cleveland, 415 Greeley Ave., 419 Greeley, 416 Quindaro, and 428 Quindaro. The church and the neighborhood group were asked to meet before we brought them back. It should state in your packet that they met on Monday, February 15. Also included on the packet should be the Land Bank Advisory Board comments. I believe there are representatives from the Advisory Board if you have any questions on that.

Co-Chairman McKiernan said these five parcels have come forward. They have been presented. Remind here, what was the resolution of the Land Bank Advisory Committee in terms of recommending yes or no. **Mr. Slaughter** said they recommend that these five do not go through to the full commission. Based on the fact—the addresses listed below were properties that had been purchased by the church in previous years. Their view is that since development hadn't started on those properties then why would these five be considered.

Commissioner Townsend said, Mr. Chairman, if representatives of the proponents are here for

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these properties and if anyone who has a counterview to the application is here, I would like to hear from them. **Co-Chairman McKiernan** said absolutely we can. **Commissioner Townsend** said to go back—I think these applications first appeared on the agenda back in August of last year. Both parties: the neighborhood group and the church were asked to have it removed so they would have time to meet. I guess they've met. If both sides are here, I think it would be beneficial to everybody to hear their respective positions.

Roy Fowler, Kansas City, MO, representing Trinity A.M.E. Church, appeared stating the application before you is one that we presented to try to build new housing in the community that we're in. Our church has been at 5th & Greeley for 95 years. It is one of the oldest churches. We have worked hard to maintain that. We had plans to build a new sanctuary but because of the economic downturn, we had to put that off. That is partly why we had been looking at land in the neighborhood to try to help stabilize the neighborhood and build something on a lot of the vacant properties that are there. Because of the economic downturn, we've not been able to move as fast as we had planned to on building. What we wanted to do with some of these lots is build new housing on those lots to help build the rooftops in that community and families. We're still planning to do that. That's what we were planning to do with those.

We recognize that there are some members of our neighborhood association that have some issues with the speed that we've been moving at. I'm sure you know all around the city things have had to slow down and they're just beginning to pick up again. We're hoping that our application will be approved. We'll continue to try to work with our neighborhood association, which I think is just beginning to become actionable in our community. Unfortunately, we haven't seen much in that regard over the past 10 years. With Ms. Jefferson, we think things are going to come back around and we'll begin to work together.

With me is our pastor. Unfortunately, Rev. Cary, who was the initiator of these actions, she's in California at a conference. She's been moved and Rev. Steven Cousin is our new pastor. We're going through some organizational changes, but we're still focused on the same things that we had been talking about.

Rev. Steven Cousin, Trinity A.M.E. Church, said all of this is being done in an effort to increase the tax base in the area, to make the community more attractive so that people can come

in and be a part of it. It's my prayer that they will join Trinity A.M.E. Church.

Commissioner Murguia asked, Chris, why is the Advisory Committee caring if they take five years to develop what they say. Is there a long line of people clamoring to buy these lots? I mean, what's the issue? **Mr. Slaughter** said we haven't received any other applications for these properties. **Commissioner Murguia** asked ever. **Mr. Slaughter** said ever. **Commissioner Murguia** asked how long has ever been. How long have they been available? **Mr. Slaughter** said I've been here since '08. **Commissioner Murguia** asked do you know—why does it matter if they...**Mr. Slaughter** said I believe simply put, their concern is that the deeds that we deeded over, they had some timeframes in. Those timeframes have passed and yet the property is still in their possession. My position has always been that if they're in a property acclimation mode, it doesn't make sense to go back and get the property out and then if they come back and say we're ready, now we have to go through this again. That's been the position I've taken up there, and I believe that some or all of the Advisory Board just have issues with that.

Co-Chairman McKiernan said I think this goes back to discussion we've had before. If somebody wants to acquire property for the purpose of future economic development, they're cutting the grass and they're paying the taxes, until and unless somebody else comes along with an eminent proposal and the funding to execute the same, then we're actually ahead of the game to have, assuming they do cut the grass and pay the taxes, we're ahead of the game than if we held them ourselves. If we held them, we could move faster if somebody came and said hey, I've got a proposal but we would have all the holding costs associated with those properties.

Commissioner Murguia said, Chris, is the—along with what Commissioner McKiernan said, I'm left to draw no other conclusion because no one else is coming forward....**Ms. Jefferson** said oh, no. **Co-Chairman McKiernan** said oh, I'm sorry. I did not see anybody else stand up.

Elnora Jefferson, Kansas City, KS, said I am the current President of Oak Grove Neighborhood Association. I'm here to talk about the lots that Trinity just mentioned, the ones that are listed here for sale. Frankly, I've been looking at this situation for quite some time, our neighborhood

has. It's been a complicated situation.

Basically, to answer perhaps Commissioner Murguia's question about what difference does it make because there are policies and procedures that the Land Bank has followed gee-whiz for the 10 years that I've come to standing committee meetings and looked at minutes and so forth and so on. For example, any buildable lot has to—construction has to start within a particular timeframe. Neighborhood involvement, the neighborhood groups are supposed to be involved in that just to share compatibility and also to make sure that the individual collective goals are together and one thing and another.

Unfortunately, what has happened here, Trinity goes beyond. It's greater than what we see here on the five lots. There are some transactions that occurred five or six years ago that as far as I can reason, violated UG policies and procedures. For example, the hold area. We have hold areas that are not new. We've had hold areas in Tremont, Peregrine Falcon and so forth and so on. Some of the property that Trinity has acquired should have been in a TIF hold area and that constraint was violated and they were allowed to get that property.

As Commissioner Murguia said, these properties are, as Chris has said, these properties have been vacant for some time; but what is unknown, and I want to surmise, just because maybe the different departments of those who have charge of these properties have not yet come together. I think they're coming together but had not come together to find out what the left hand and the right hand are doing.

Several of those properties in which we had our urban farm and it was an urban farm more and not in just name but actually in production. We had a production. We had a distribution. We had a marketing arm. We sold our produce at Briar Cliff up at the Great Acres. We had something really going on.

We had the Economic Stimulus Program that was brought in by President Obama. I don't know of any other neighborhood group who hired youth in that area. Not only did we hire them, we went around and we actually got the applications from the parents and that was a request by then Mayor Reardon to use the Economic Stimulus money in order to hire youth.

Once those lands were sold to Trinity in violation of just that policy, there were others. We were forced to kill our operation and we have not yet gotten back on footing on that.

The other thing is that we had, the neighborhood itself has plans for a community center

and a learning center. When we first heard about Trinity, the overarching desire from Trinity was to actually expand on the church so the property that it bought some 10-15 years was for that purpose. That's quite understandable. We respect our urban churches and without them, quite frankly, we would have less visibility of people and traffic than what we have today. That changed somewhere in the process to where now they are talking about families. That makes sense too because a lot of people want earned income.

Now in the urban churches, at least in the urban churches in my area, there are very few people who actually live in the area that attend the church there. Most of the people will leave after church services or after a day at the church and live elsewhere. Once they're gone then that leaves behind, those of us who live there who have to deal with the effects of crime or the effects of—unfortunately I mentioned that first—

Ms. Godsil said, Ms. Jefferson, if I may interrupt. I'm so sorry but I know we do have a time limit on the public speakers. **Co-Chairman McKiernan** said we do and I just made a decision here to shut my timer off because she's giving some background that's pertinent to this story so I decided to give her additional time.

Ms. Jefferson said thank you, Commissioner McKiernan. Most of the people leave and so those of us who are there have and continue to work with drug cultures, with—thank goodness not drive by shootings but we do have shootings that occur and other unacceptable behavior and so forth.

What I'm asking, I can say all of this and there is a lot of background information particularly, Commissioner McKiernan, you had said at one time early on that we never want to do again what we did do in order to cause the blight in any particular area. Oak Grove is a neighborhood like so many other neighborhoods that are registered with the Liveable Neighborhood Association, but we're not on parity; we're not on parity with the neighborhoods that are on Piper. We're not in parity of a lot of the neighborhoods that may be elsewhere as in District 3.

What causes that lack of parity; the inequities are many different things whether it's favoritism or whether it's just an uninherence to policy and procedure. What I'd like to suggest from a neighborhood perspective, and I don't know what my neighborhood members are going to

say, I think they will agree, is that what we'd like to do rather than just wholesale, award these lots to Trinity, we would like to ask you, the Commissioners, to help us develop a wholesale, a holistic, a frontal approach whereby we can work together, assign a developer, we have Bob Hughes on the periphery there, in order to build a plan whereby we can add those types of things: housing, retail, and so forth that will improve the education in that area, improve the employment in that area, and all of us to be successful rather than just one particular entity.

I have some other things but I know I have already extended my time. I think I'll just end with this. Back in the 1950s I had asked Tom Scott of this of the Housing Authority how it occurred that we had as many public housing entities as what we have. This is not a slam or anything on public housing. I'm sure you understand that, but it does have something to do with the level of discretionary spending. It has something to do with the richness of the tax base. In the 1950s, quite a bit of our area in Oak Grove was given over to public housing. The types of families that Trinity or anybody else is looking to build in our neighborhood are important because that's a way we can attract something greater than or perhaps better than maybe, always say butter if you will.

Co-Chairman McKiernan said if there are other people who do want to address the committee, with that background having been given, I am going to stick strictly with the three minute time limit.

Rachel Jefferson, Kansas City, KS, appeared stating I am the Executive Director of the Historic Northeast Midtown Association, a member of Oak Grove Neighborhood Association, and also a member of the Land Bank Advisory Board. I am here to speak to you today about these Trinity lots because as Ms. Jefferson before me said, there seems to be a tendency to not follow policy perhaps because it may be easier not to. In 2009 the church applied for several properties that they received for a church expansion which was supposed to start in 2009 according to their application. In 2011, 2012, they received several other properties for extension of church, a new school, playground, and parking lot. That construction was supposed to start in 2013 and had not started.

These new applications in 2015 still have the church expansion, parking, playground, but

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now they've added new homes and duplexes as well and a school. They're supposed to start in 2017. There seems to be a history of selling lots to this particular entity without ever coming back to see if they're going to actually develop on them. It would be one thing if they were paying taxes, but they're a church so, therefore, they don't.

I would also like to say that the neighborhood association has been active for a long time in the area and been watching the sale of these properties for a long time as well wondering what was going to happen, if anything. We've asked for some type of development plan from Mr. Slaughter and we're not provided with one. At our most recent meeting that was referred to on February 15, we asked the church to please explain to us what their plan was. The answer we received from Mr. Fowler, who previously spoke, is we have no plan. When we asked what type of housing they would build, whether it be duplex, single-family, or senior, they did not have an answer. When asked how many homes they would build, they did not have an answer. When asked if it would be low-income, mixed-income; no answer. When asked if there was a developer, no answer, but the church said that they, themselves, were not a development cooperation which, to me, was odd because in looking in past deeds, the property that was recently bought by Trinity A.M.E. from the tax sale was bought under Trinity A.M.E. Development Corporation. I have not found any record of that being registered with the state so there seems to be some conflicting information there as well.

When some of our neighborhood association members asked for a timeframe, we weren't provided with one. We asked if you were to start one house today, how long would it take. No answer. It just seems that instead of continually to sell property to an organization which undoubtedly has the good intentions to stabilize the neighborhood but no real plan or financing in place to do so, I would say that doesn't really support neighborhood development. It might actually just make it harder for someone who really does want to come in and develop then they have to go and buy piecemeal.

Chuck Schlittler, 726 Armstrong Ave. (office), appeared stating I'm part of a new part of the Land Bank Advisory Board. From my perspective, the concern of policy, whatever that states, if 20 years are allowed, then policy should be adhered to. If policy dictates whatever that does, I

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would encourage, as a new member of this Advisory Board, that the Commission establish appropriate guidelines, etc, so that everyone involved knows exactly what the expectations are. These kinds of hearings can be based on those and those policies can be adhered to. Obviously, Commissioners, you can make a decision regardless of what the Land Bank might suggest or advise. We understand that but, again, from my perspective, being a new member of this Advisory Board, if whatever entity does not follow its own policies and procedures, they enter into at best possibly unstable ground if not dangerous ground.

John Bailey, Kansas City, KS, said I'm a member of Oak Grove. I'm not up here to continue that line of thing. I just have questions because I'm new to all of this thinking about Land Bank and whatnot. I noticed the word intention used a couple of times. I'd like a concrete definition of intention because I've had intentions to travel around the world for a couple of years but ran out of money and tickets. Intentions are dreams. Do you know what I mean? When we met with Trinity and we asked for the plan to the layout of type of housing, type of building, timeframe, they had intentions to do that but they were like me with my around the world trip. They didn't distinguish the intention from the dream. They didn't show the concrete steps. They didn't have something on paper that we could read. We were very, very excited about the meeting because we hadn't been having meetings with the organization that was gobbling up properties like Pac Man. We still don't have that distinction. If we could get that definition—if I could get that definition that distinguishes an intention from a dream and what steps go to actually have production like Ms. Murguia was saying, I think that would be clarity for everybody.

Commissioner Townsend said in light of some of the comments that we've heard, I'd like to ask the representatives from Trinity if they would like to respond to any of the concerns expressed with regard to plans, contacts they may have since had with developers or plans or anything so we can circle around and have the fullest appreciation for what's been said here tonight.

Mr. Fowler said to clarify one point regarding the community garden, after Trinity become owners of those lots, Ms. Jefferson was told that they could continue to use that property for their community garden with nothing else other than their using it. Apparently she did not choose to

do that. I just wanted to make that clear. It wasn't that we put them off. Rev. Carey went and spent some time with Ms. Jefferson and told her that they could continue to use it with no charges.

We have been talking to—we have an architect that is working with us on looking at the properties that we have and what the possible types of housing that can go on those. We've been talking with a builder also. Habitat, they have many designs of homes and they do contract building. We've been talking with groups regarding developing the properties that we have and those that we've been looking to acquire. It's not that this is just a pipedream. I think everybody knows what our economy has gone through. We're trying to recover as a church. We own a school, Kiddie College. We've had to sink a lot of money into that school because of downturns in enrollment. We are working in the community as it relates to the funds that we have, but it's limited. Our ability to move forward with our development as it relates to our neighborhood, it has been halted for a while and we're getting that moving again. I'm sorry that I can't control or we can't control the economy of our city and our community, but we're doing the best that we can.

Commissioner Townsend said, Mr. Fowler or Rev. Cousin, if you could address this. Has there been more of a specific timeframe discussed since you said you've met with Habitat and you've retained an architect, have there been any timeframe...**Mr. Fowler** said we're hopeful that we'll have some concrete plans within the next six months. We were reluctant to give the neighborhood association a date because I mean it was kind of like an inquisition the meeting that we had unfortunately. We didn't feel comfortable in sharing that at that time. We're going to work on our relationship with the neighborhood association. It's clear that it's not what it needs to be. We're hoping that we'll get that done.

Commissioner Murguia asked can I ask Ms. Jefferson a couple of questions. **Co-Chairman McKiernan** said sure. **Commissioner Murguia** said I apologize for making you repeat but your history on this situation is real detailed. Since I haven't been involved in that, I just have a couple of clarity questions.

You made the comment that your neighborhood association had a program, relevant what

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it is, but you had a nice program for the community which was utilizing this ground. Is that accurate? **Ms. Jefferson** said correct and other grounds as well, Commissioner Murguia. We had approached the UG prior to you being on this particular committee for some lots. It was this particular area. We also had a plan for other lots. In order to offset the costs to the UG of cutting and maintaining the lots, we were going to work on a community garden, an urban garden and so forth, which now is a real popular idea.

Commissioner Murguia asked you also were currently working on these lots and you also have an idea to grow and expand what you're trying to do in that area of the community. **Ms. Jefferson** said correct. **Commissioner Murguia** said I'm going to have to make some assumptions here to cut to the chase. Is what is upsetting you and causing disagreement the fact that you and your organization, who are mostly local, have hopes and dreams for that area as well. Though you don't have any necessarily concrete plans, would it be fair to say that neither does the other organization and it appears to you and your organization for the most part that by allowing this organization to proceed and not yours, that is the issue of fairness? **Ms. Jefferson** said that's a good question. It's kind of a difficult question as well. Let me go back and say we did have plans. We do have plans. In fact, I own some adjacent land to that farm area. One of the plans included stelatopia farm and also a solar greenhouse. We've invested and had people come in from out of town to actually look at those plans and present renderings and drawings of that. After the land was sold to Trinity where, again, it was in a TIF and no land was supposed to be sold out of the TIF unless the developer of record approved that, we got rid of our plans. We went no further because of the shadowing from solar and some other complications.

Commissioner Murguia said so let me break it down for events. You and your organization also had plans which you believe are credible plans for this property? **Ms. Jefferson** said for a lot of the property, correct. **Commissioner Murguia** said okay. Just hold it right there. Then it strikes me—see if this fits you—it strikes me that you feel as though your group has not been treated with the same level of respect as the church group? **Ms. Jefferson** said correct, Commissioner. We were told that the Land Bank management department was told to do whatever it needed to do in order to satisfy Trinity. That was not what was told to us. **Commissioner Murguia** asked so that is what you were alluding to in your comments about fairness and equity. **Ms. Jefferson** said correct.

Commissioner Murguia said I'll close with this comment. I'm only one member on this committee, but as an actively involved member I'll say what I've said many times over again. I now have a clearer understanding of what your position is and why you're taking that position and your other comments. As the Third District Commissioner, though, I will tell you my politics are that I tend to defer to the commissioner that is in charge of that district. I feel like that commissioner is entitled to that level of respect. So that you know why I vote the way I vote it's because I have great respect for my peers on the Commission and I want to be supportive of their leadership. I just want you to understand that.

Commissioner Townsend said I just want to thank all the parties here tonight. Even though they may have differing views, it does show that they are passionately concerned about what happens in the area.

The other thing I wish to say, and I've said this before under similar circumstances, I am a member of Trinity; however, that's all I am in that I do not hold any position in the church as an officer, a trustee, nor do I hold any position of fiduciary responsibility in the church, and I have no substantial financial interest in it. I had posed a question to legal counsel as to whether I could vote tonight given the disclosure and was told that my vote would be needed for a quorum so I will be voting tonight.

Having said that, I think this is a good example of the discussion we heard previously about eradication of blight and trying to improve neighborhoods. I am distressed to think that policies were not followed but I don't think it's been entirely made clear that that pertained to—if it happened previous councils and previous administration and the policies were followed as far as I have been apprised for these particular lots. In fact, to make sure that all parties were treated equally, we did ask to have this matter deferred back in August and I asked the parties to get together way back then and try to meet with each other and if they could come to an agreement, fine. I know that's not always possible. I think with regard to these particular properties, whatever else happened in the past when maybe none of us were even here, that everybody has been dealt fairly and equally.

One of the things that we have in District One that many people have seen as a disadvantage but I'm seeing it as an advantage for things to come is open property. We've got a

lot of property. So there is, in my opinion, enough space for Trinity to go forward with the plans that they have as well as for the neighborhood organization to have plenty of places to grow, to have their flowers, vegetables, whatever they want to grow. We have got plenty of land.

The issue tonight is why the application for these particular parcels should not be granted. I have not heard a good reason not to grant that tonight. I've heard about things that may have happened in the past and we're all here committed to make sure that that does not continue. I can't say that we've had that happen with these particular ones or any since we've been on here. That's the real issue. I've heard representatives from the church say that they really want to engage with the neighborhood group from here on. I think this is a good procedure for that or an opportunity for that. I am not hearing any reason here tonight not to grant this application. There is plenty of property that needs good parenting out of the Land Bank for all of those who want to do something positive.

You heard Commissioner Murguia talk about blight and you heard Commissioner McKiernan say that Code Enforcement is just one small aspect of it. Here's another aspect of it. If we can get responsible owners to come forward and take these properties out of the Land Bank then that's what should happen, in my opinion. That's my position on it.

Action: Commissioner Townsend made a motion, seconded by Commissioner Walters, to approve the applications submitted by Trinity for these particular lots.
Roll call was taken and there were four "Ayes," Walters, Murguia, Townsend, McKiernan.

Transfers to Land Bank

200 N. 10th St. from UG WyCo/KCK
645 N. 118th St. from UG WyCo/KCK
2915 N. 39th St. from UG WyCo/KCK
2921 N. 39th St. from UG WyCo/KCK
1758 N. 3rd St. from UG WyCo/KCK
1600 N. 41st St. from UG WyCo/KCK
1604 N. 41st St. from UG WyCo/KCK

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1944 N. 41st Terr. from UG WyCo/KCK
 1700 N. 42nd St. from UG WyCo/KCK
 145 N. 61st Terr. from UG WyCo/KCK
 525 N. 61st St. from UG WyCo/KCK
 525R N. 61st St. from UG WyCo/KCK
 *411 N. 61st St. from UG WyCo/KCK
 832 N. 47th Terr. from UG WyCo/KCK
 1215 N. 55th St. from UG WyCo/KCK
 1231 N. 55th St. from UG WyCo/KCK
 1233 N. 55th St. from UG WyCo/KCK
 1303 N. 55th St. from UG WyCo/KCK
 2906 N. 89th Terr. from city of Kansas City, KS
 5544 N. 94th St. from city of Kansas City, KS
 5425 N. 96th St. from city of Kansas City, KS
 2029 N. 102nd St. from city of Kansas City, KS
 434 N. 110th St. from city of Kansas City, KS
 700 S. 55th St. from city of Kansas City, KS
 *421 N. 61st St. from city of Kansas City, KS

Per the Dec. 2014 NCD Standing Committee presentation, property controlled by the UG (UG, city of KCK & Board of County Commissioners) that are delinquent, will be transferred to the Land Bank to have delinquent property taxes abated.

* Indicates property has an improvement

Mr. Slaughter said the next 25 delinquent...

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve the applications.** Roll call was taken and there were four “Ayes,” Walters, Murguia, Townsend, McKiernan.

Commissioner Murguia said, Commissioner McKiernan—I was just mentioning to Commissioner McKiernan, sometimes we move fast on these Land Bank applications. There is someone—we should have done this before roll call, but I don’t think there’s anyone here to comment...**Co-Chairman McKiernan** asked if anyone has any comments on this particular batch of transfers, we should invite those. **Commissioner Murguia** said we’re trying to get better about asking that before we rush through it. Sometimes we’re not perfect. (No one appeared.)

Transfers from Land Bank

633 Linda Lane to City of Bonner Springs, KS to benefit their city's trail system

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635 Linda Lane to City of Bonner Springs, KS to benefit their city's trail system
 616 & 616H S. Valley St. to USD 500 for additional parking & playground for John Fiske
 Elementary School

Mr. Slaughter said next we have three properties that are being asked to transfer from the Land Bank. We have 633 and 635 Linda Lane to the City of Bonner, and 616 and 616H S. Valley St. to the District 500 School District.

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve the applications.** Roll call was taken and there were four “Ayes,” Walters, Murguia, Townsend, McKiernan.

Donations to Land Bank
 284 S. Coy St. from US Bank
 1045 Webster Ave. from Daniel Williams

Mr. Slaughter said lastly we have some donations.

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve the applications.**



WYANDOTTE COUNTY LAND BANK

Property Donations Request to Land Bank
 284 S Coy St & 1045 Webster Ave

Neighborhood & Community Development Standing
 Committee
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Mr. Slaughter said I did have a presentation if you don't mind because I think it brings a good question to some of the past discussions we've had about why do we accept certain properties for donations; do we have a criterion.

St Joseph's Neighborhood



The main part of this presentation will be about 284 S. Coy. Here is an aerial of the view. I just want to point out some of the other anchors here in the neighborhood. Central Middle School, the City View at St. Margaret's project, we have a church, we have two Catholic school buildings, we have some development of homes by CHWC. Right over here to the south of St. Margaret's is 284 S. Coy.

St Joseph's Neighborhood



I also just wanted to show you some of our Land Bank in the red and tax sale eligible is in gold. There's our old Whittier School over there too.

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South Coy Street



This is a little bit of a closer shot of the property in question. As you can see, it's just a little bit west of St. Margaret's Park. It's this little sliver right in there.

Donation Request Procedure

- Received Property Donation Request
- Land Bank requested DRE Abstractors to generate and O/E report to show if property has any issues:
 - Who is Current owner
 - Is There a Mortgage
 - Are There Any Liens (Local/Federal)
 - What are the Real Estate Taxes Owed & Special Assessments
- If there are issues, then Land Bank Manager send letter stating that request is denied
- If there are no issues then Land Bank Manager brings to Land Bank Board of Trustees

When we receive a donation request, we contact the Delinquent Real Estate Abstractors. They generate an O/E report. That basically gives us information as listed there: who's our current owner, is there any mortgages still out on the property, are there any liens whether they're

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local/federal, what kind of real estate taxes/special assessments are still outstanding. If there are issues, particularly with those four, we will send a letter to the applicant stating that at this time we probably don't think it's a good fit. We would probably advise them to look into the tax sale where the judicial foreclosure process will pretty much take care of those issues there. If there are no issues, then that's generally what's led me to bring this to you guys for approval.

284 S Coy St

- Current Owner/Requestor – US Bank
- Mortgage – none
- Liens – none
- Back Taxes & Assessments - \$ 12,500+ *(this includes a demo in 2008)*
- Lot Size **25ft X 126ft**
- Appraised Value **\$ 320.00**
- Last Code Case **September 2015**

I'll tell you a little bit about the requested property. The current owner is US Bank. There is no mortgage, no liens. There's about \$12,500 that does include a demo. It's a small lot, 25 x 126. It's appraised at \$320. There was a last code case in September of last year.

Neighboring Property(s)

- **282 S Coy St**
 - Lot Size 25ft X 126ft
 - Appraised Value \$ 30,500.00
 - Last Code case September 2015
 - Real Estate Taxes owned \$ 1,458.34 since 2013 *(not eligible for a tax sale until September 1, 2016)*
- **286 S Coy St**
 - Lot Size 25ft X 126ft
 - Appraised Value \$ 25,130.00
 - Last Code case February 2016
 - Real Estate Taxes owned \$ 4,614.00 since 2007
- **Both property owners would be ineligible to apply for property if it becomes a part of the Land Bank inventory because of back taxes and code violations**

Normally we would also probably look at the two houses to the side and say is this something we could target, maybe go after them to say hey, maybe this will help your recommendation as we've already talked to one of them and they're interested in the property.

The first one is 282. This is to the north. Similar size in lot. It is a house. It's appraised at a little bit over \$30,000. There hasn't been a recent code case. As you see, it is tax delinquent, \$1,400. It's not eligible for a tax sale until September of this year but it would not be eligible to apply for the property.

The one to the south, 286, similar sized lot. A little bit less in value. A code case was recent. They are tax sale eligible with over \$4,600. Again, because of the code violations, taxes, they run the risk of being ineligible.

Street View



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Here's the picture from the street of 284. As you can see, it's right here. This house, as you can see, has been stickered; it's boarded up. Let's go ahead and assume that this person wouldn't be responding to any Land Bank inquiries about purchasing it. Again, this is the house here that comes September 1, if taxes aren't caught up, will be eligible for a tax sale.

Land Bank Property Acquisition

- Per policy...
 - **5.1 Sources of Property Inventory.** Sources of real property inventory of the WCLB include, but are not limited to, the following:
 - Transfers from local governments;
 - Acquisitions at tax foreclosure sales;
 - **Donations from private entities;**
 - Market purchases;
 - Conduit transfers contemplating the simultaneous acquisition and disposition of property;
 - Other transactions such as land banking agreements.

Approved (3/26/15)

Policy. We can turn around and accept donations from private entities.

Questions

- Do we take this property just to ease the burden of the Delinquent Tax Sale department and the Tax Sale process?
- Do we only consider this donation unless we can get the abandoned property?
- If we don't take the property, would the neighborhood continue to suffer from blight?

Again, one of the questions I had was even though it's not the most attractive property out there, do we take the burden off our Delinquent Real Estate and this would be one less property they have to work up into an upcoming tax sale. Do we only consider if maybe we can get our hands on that abandoned property and now we've got two properties that may be a little bit more attractive to a developer or someone with rehab capabilities? Again, if we don't, who will? Who's going to help the neighborhood out?

1045 Webster Ave



Again, the other property we had a request for is 1045 Webster; that's this one here. 1047 is also owned by the same applicant, but that property has already made it in through a tax and it will be in the May sale. We got a request for that too but in talking with the abstractors in Delinquent Real Estate, we just figured it's already going to be in the tax sale. It's over \$18,500. Nobody is

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going to bid on that so we're going to get it. That's why we don't have that request. Again, the other request tonight is for that property right there.

1045 Webster Ave

- Current Owner/Requestor – Daniel Williams
- Mortgage – none
- Liens – none
- Back Taxes & Assessments - \$ 13,700+
- Lot Size **30ft X 128ft**
- Appraised Value **\$ 500.00**
- **1047 Webster Ave in Tax Sale 335**

Just some information about that. No mortgage, no liens. The one we're requesting for tonight is almost \$14,000. Both lots are pretty similar so both of them, once we have, would be roughly about 60 x 130. This is appraised at about \$500. Again, the other property is in a tax sale.

Commissioner Murguia said, Chris, I just want to tell you, fantastic job. I would request that this presentation go on the Commission agenda for presentation and you don't let us step over it. This is probably the best example. I know you're here about Land Bank, but to me, this is the best example of the challenges of economic development in challenged urban neighborhoods. This is a testament to that. For no other reason, I think it will be helpful to the full Commission to view this. It's a very short presentation. It's very to the point and very easy to understand. That's just my only comment and I, again, would move for approval. (Commissioner Walters again seconded the previous motion made.)

Co-Chairman McKiernan said I'll just echo, I'm very familiar with that property on S. Coy. Given the abandon house to the south of that property, there's a high likelihood that we are going to end up as the owners of that property. As owners of both properties, we then have a better sell

package at somewhere down the road and a little bit higher likelihood of getting someone who will come in and improve the properties and keep them current. I certainly endorse this.

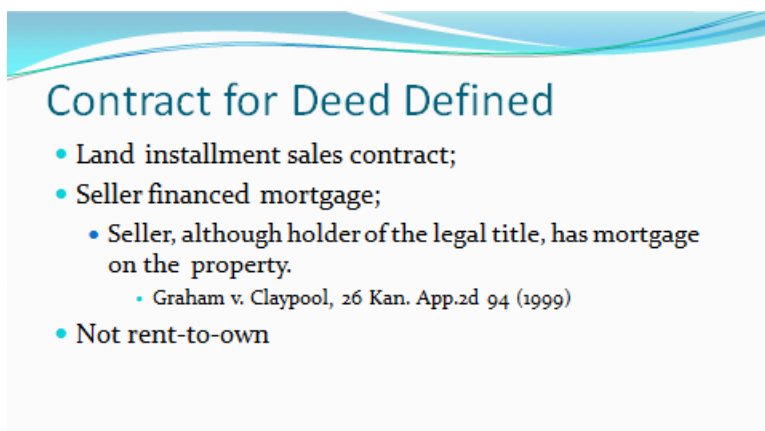
Roll call was taken on the motion to approve and there were four “Ayes,” Walters, Murguia, Townsend, McKiernan.

Item No. 2 – PRESENTATION: CONTRACT FOR DEED

Synopsis: Presentation regarding code enforcement for properties sold via contract for deed, submitted by Ryan Haga, Legal.



Ryan Haga, Legal Counsel, appeared stating I was asked to put together a short presentation regarding contracts for deed and how they interact with our Code Enforcement, so I just have some very basic information regarding what contracts for deed are and how they interact with Code Enforcement.



A quick definition of what contract for deed is. It's a land installment sales contract, basically a monthly payment made directly to the seller for purchasing of the property. A seller financed mortgage. Basically, under Kansas law, whenever you have a contract for deed, the seller, while he or she is the holder of the legal title, it's really a mortgage or a security interest on the property that they can foreclose on if the contract is breached by either failure to pay or any other potential contract provision.

What it's not is not rent-to-own which is to say it's not a renter/landlord situation. The buyer is the legal, equitable owner under Kansas law. If there are any issues with the property while the property is under contract for deed, the buyer is the appropriate party to address any sort of code issues.



Maintenance Enforcement?

- CFD does not stop the UG from enforcing code.
- Duty to maintain property as owner/occupant still applies.
 - 2009 IPMC, Section 301.2
- Buyer becomes the equitable owner of property;
 - Graham v. Claypool, 26 Kan. App.2d 94 (1999)

Contract for deed does not stop the UG from enforcing the code. Again, it's been indicated to me that there might be some confusion regarding who the ultimate party is responsible for any code, any maintenance of the property while it's under contract for deed. It would be the buyer/occupier of the property which would be my second point. Again, to reiterate, the buyer does become the equitable owner of the property and the seller, again, just has a security interest in the property.

Proof of CFD Must be Provided

- Seller using CFD must file the contract or statement of equitable interest with the Register of Deeds.
 - Sec. 19-227(c)
- If not, Seller is still responsible for maintenance.
- When Seller is cited, proof of registration must be provided for dismissal of the citation.

The seller, using the contract for deed, must file equitable interest or the contract for deed with the Register of Deeds. Basically, in Code Enforcement, if we have a property that has a citation regarding failure to meet up to the code if they do the check for who the owner is and if it shows that the property is still owned by someone who is not the current occupier, they'll cite both the occupier and the owner. If that owner is indeed the seller in a contract for deed situation, in order to be removed from the Code Enforcement case, they need to come to codes court and show the contract for deed has been registered with the Register of Deeds or the statement of equitable interest.

CFD & Rental Licensing Enforcement

- Rental Licensing does not apply to house that is purchased via CFD;
- Provided CFD/Statement of Equitable interest is filed with the register of deeds.
 - Sec. 19-227(c)

Rental Licensing obviously does not apply given the fact that, again, it's not a landlord/renter relationship; it's a buyer/seller relationship with, again, the buyer being the owner under Kansas law.

No Right-of-Entry

- Rental Licensing requires a pre-license inspection.
 - Sec. 19-236
- Right-of-Entry when necessary to enforce code.
 - Sec. 19-247
- No entry authority for properties under CFD.

With it not being part of the—Rental Licensing, we don't have the right-of-entry in contract for deed properties the way you would if it were a renter/landlord situation. If we needed to get entry, we'd have to go through the more typical warrant issue, again, to get access to the property.

Right-of-Entry May be Restricted

- Rental Licensing: HB 2665
- This bill would impose restrictions upon a city's ability to inspect rental properties without a search warrant, or the consent of the owner or tenant.

Just kind of an FYI, there's a House bill right now in Topeka that may restrict our right-of-entry for the rental licensing which would, again, put the burden on the Unified Government to get a warrant before they're able to enter the property, even in a rental licensing situation versus more of the free right-to-enter at this time.

Co-Chairman McKiernan said the questions that I have, they're probably aren't answers to but I'm going to ask them anyway. If I put air quotes around buyers and I ask how many buyers know that they are not actually renting. **Mr. Haga** said all I can say is as an instrument in order to sell property in Kansas, it is a recognized instrument but you're right. Anytime you have a contract situation of differing levels of sophistication, it's certainly possible that a person might

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sign onto one of these and not realize what they actually have is a mortgage so that if they breach the contract, they don't bring an action for eviction as if they're a tenant, they actually have to foreclose on the mortgage which is a very different process obviously.

Co-Chairman McKiernan said that brings up my second question. If we had to guess how many contracts for deed are out there versus how many actually get filed with the Register of Deeds—I understand that's calling for speculation. I'll tell you, my gut says it's more than a few. **Mr. Haga** said all I can say is whenever, at least as far as Code Enforcement goes as I have stated during the presentation, that if we have a citation, both the occupier and the legal owner will be cited. At least that is one way to drag them into court. If they want to get out from underneath responsibility for the maintenance then we put the onerous on them to get the proper paperwork filed in order to get out from underneath that citation.

Co-Chairman McKiernan said here's another interesting question. Have we ever audited our records in the Register of Deeds office to see if the same property comes up month after month, year after year with a new contract for deed executed more often than we would expect a mortgage to be executed? Does the same property have a new contract for deed written on it and then 12 months later have a new contract for deed written on it to a different person? **Mr. Haga** said we have not done that, no, not that I'm aware of anyway. **Co-Chairman McKiernan** said I think it would be fascinating to do that and see what the results would suggest.

Final question for you because I know some other Commissioners have questions as well. At one point, and my memory may be a little bit hazy on this, but I do believe we had a gentleman who was the buyer in a contract for deed situation who applied for some Emergency Home Repair money through Community Development from CDBG and as I recall was denied that money. One of the things that I'd like some more clarification on is that since the seller has only a mortgage interest left in this, shouldn't all the rights of ownership, and that is the right to qualify for Emergency Home Repair dollars, transfer to the buyer? Shouldn't that person have the same rights as anyone who's buying a house from a mortgage company? In this particular case, it seems to me that this "buyer" was not afforded the same right or privilege or opportunity, whatever it might be, as someone who was buying through a mortgage company or a bank. **Mr. Haga** said I think that's an interesting question. I would say under Kansas law, there shouldn't be a distinction made between whether you have a traditional mortgage versus a contract for

deed. I mean the law is very clear. The buyer is the owner. It's not a question that is more or less up for debate. Again, the law is clear that if the seller wants to foreclose on that mortgage because they want to take back the property, they have to do that through the courts and that will have access to the contract and what have you. Without knowing anymore about what you're commenting on I'd say I don't see at least a legal reason in order to draw distinction there. **Co-Chairman McKiernan** said then I'm most likely misremembering that.

Commissioner Murguia said I have a question. Is a contract for deed legal if it's not filed with the Clerk's Office. **Mr. Haga** said I don't see any reason why it would not be. It wouldn't shift—I think it's registered—it's filed with the Register of Deeds primarily to shift the burden of code enforcement, maintenance to the buyer so that the seller more or less doesn't get citations for property that they sold. As far as in terms of the State of Kansas law, there's no regulation regarding contract for deed in order to perfect it, if you will, through any specific mechanism by filing it with the local government or the state government. There's nothing to keep me from selling a property I have to a buyer and having that be a good contract for deed. As long as I'm willing as the seller to accept Code Enforcement responsibilities for whatever reason, I may want to do that. **Commissioner Murguia** said so just for clarity, you're saying no. It's still a legitimate contract for deed even if they don't file with the Clerk's Office? **Mr. Haga** said yes.

Commissioner Murguia asked in the situation of Code Enforcement, if there's nothing at the Register of Deeds Office that says it's contract for deed, then we would send the code violation notice to the person that occupies the home or the—no, we would send the notice to the owner of the property. Correct? **Mr. Haga** said ideally we would send them to both parties. If we're aware that there's an owner that's not actually living in the property and it's not rental and we don't have, and by our records it's not a rental property, ideally we would send the citation to both the occupying party and the seller if they haven't properly filed. The best way to clear up that citation would be for both parties to come to codes court and explain to the court what the relationship is to the property. The party who is ultimately responsible, the citation will be left in their name then the other party would be dismissed from the action.

Commissioner Murguia said okay. Your answers are very good but since I think there's some general public that wants to understand it, I think we might want to use a real example.

Mr. Talkin, since you're here, can you answer some general questions about what's happening right now since we don't have that data? If you don't have it, we can talk about it later. For example, what are you seeing from the actual boots on the ground Code Enforcement perspective? Are you seeing a number of contracts for deed that are not being filed with the Unified Government or are you seeing yes, they are being filed? First, answer that part of the question. **Greg Talkin, Neighborhood Resource Director**, said there are a number of them that are not filed. When we become aware of that, it is another—because we have adopted an ordinance that said it's a violation that is our local ordinance. We do add that on as a violation. **Commissioner Murguia** said okay, so spite what the state law says, it is a violation of our local ordinance that if someone has a contract for deed on their property and they don't file it with our Register of Deeds, they're in violation of that. **Mr. Talkin** said yes.

Commissioner Murguia said tell me what happens in real life. Somebody has a code violation on their house that is buying contract for deed. You would send that—if there's no contract for deed at the Register of Deeds Office, then you would contact the owner of that property or do you contact, as he suggested, both the tenant and the owner? **Mr. Talkin** said we try to contact both the tenant and the owner. **Commissioner Murguia** asked so what happens most often in a situation like that. **Mr. Talkin** said eventually I believe they usually file the contract for deed. **Commissioner Murguia** asked but how do—who responds. Do you get a response from the actual holder of the contract for deed? Do you get a response from them? **Mr. Talkin** said that varies. Just because we send them a summons or a notice doesn't mean they're going to respond. **Commissioner Murguia** asked so when they don't respond and there's no contract for deed filed, you'll hold the tenant accountable. Correct? **Mr. Talkin** said correct. Let me back up.

A lot of times we get complaints about properties that are believed to be rental. Rental Licensing goes out and then investigates and that's where we a lot of times find out the contract for deed is in place. It hasn't been filed. **Commissioner Murguia** asked how do you usually find that out. **Mr. Talkin** said because we get complaints a lot of times about properties being rental. **Commissioner Murguia** said no. Who tells you that the property is contract for deed? How do you get proof that it's a contract for deed? **Mr. Talkin** said from the owner, generally the owner of the property. **Commissioner Murguia** said the owner of the property. **Mr. Talkin** said the seller, let's put it that way. **Commissioner Murguia** said the seller. That's a better way

to put it. Right? So the seller usually steps forward and says this is contract for deed. **Mr. Talkin** said yes because they want out of it. **Commissioner Murguia** said right. So at that point, do we hold the tenant of the property responsible? **Mr. Talkin** said well, they are now the owner of the property now that we have a contract for deed so yes. **Commissioner Murguia** said okay. So it gets the contract for deed, the seller, out of any trouble for Rental License but it holds the buyer then in that situation accountable for the condition of the property? **Mr. Talkin** said yes.

Commissioner Murguia asked are you seeing a number of those buyers as being unaware that they're a buyer. **Mr. Talkin** said yes. **Commissioner Murguia** asked you see that often. **Mr. Talkin** said yes. A lot of the individuals feel like they signed a rental agreement, not a contract for deed. **Commissioner Murguia** asked and that happens frequently. **Mr. Talkin** said yes.

Commissioner Murguia asked what is our legal recourse. How do we handle that situation today? **Mr. Talkin** said the key that we keyed in on is education. We developed a series of videos that are online for those people that are doing contract for deed about the right things to do and to make sure that they understand what they're getting into. Otherwise, really it's a legal issue between the other two other than we're going to have to hold what we believe or find out to be the owner. Those are the ones we're going to hold accountable. Now like Ryan said, is that we generally try to summons them both and a lot of times—then it's up to the judge to decide who she's going to dismiss in that case and who she's not.

Commissioner Murguia asked is there a particular demographic that's being most affected by this deception or is it based on economics instead of demographics. **Mr. Talkin** said I don't have enough data. I will tell you the ones that I become aware of more have to do with the Hispanic population it seems like. **Commissioner Murguia** asked is the video that's online bilingual. **Mr. Talkin** said we have the contract for deed bilingual. The tenant video is not. **Commissioner Murguia** asked so the educational tool that we're using to reach the largest percentage of people that you believe are affected by this may not be able for them to understand. **Mr. Talkin** said correct. **Commissioner Murguia** said, yea, that's probably not going to work then.

Co-Chairman McKiernan said what you just said gets back to the question I asked earlier. How many people out there actually signed a contract for deed and thought they signed a rental agreement. In my experience, it's more than we really want to think about. Let me set up a hypothetical. A contract for deed gets executed. The buyer now gets served with a code notice and in the process of investigating that code notice discovers that there is some fundamental flaw with the property like the foundation is unstable and that house is basically not inhabitable. What happens then? **Mr. Talkin** said we'd still pursue the owner to take care of the problem. **Co-Chairman McKiernan** said so the owner, being the buyer, now to take care of the problem. So if that owner who thought he was renting says well, I can't take care of that problem then he gets foreclosed on and show him the door. Would that be correct? If the seller says no, you signed a contract for deed and you either take care of that problem or I'm going to foreclose on you. **Mr. Talkin** said if there's a big enough problem, they probably wouldn't foreclose. They don't want to take the burden. **Co-Chairman McKiernan** asked but what if they foreclose and throw that person out and take their down payment and then just do the same thing all over again. **Mr. Talkin** said that's happened. **Co-Chairman McKiernan** said yes, I know it's happened because—I'm making it hypothetical but I have—my point about all of this is, and to kind of piggyback on what Commissioner Murguia has said, I think we really need to find a way, and I don't know what it is, but we need to find a way to get more on top of this. To discover, to better ability than we have today, the number of contracts for deed that are getting executed where people are not aware that they're actually in a buying situation. They think they're in a renting situation. They think they have a landlord who will, in fact take care of those fundamental structural issues that they are unaware of have them become their own responsibility. That's where I ask now, how many times does a single property turnover in the system? How many times is a new contract filed?

Commissioner Townsend said let me just think out loud about this. We've heard that in these contracts for deed situations, the buyer becomes really the equitable owner. As such, they will be cited for any code violations and possibly the person who also sold the property until a decision can be made. From what I'm understanding tonight, basically the buyer becomes the new owner and they will be held accountable for code violations. **Mr. Haga** said that's correct.

Commissioner Townsend said what I would like to see investigated through Legal is whether or not an ordinance can be put into effect that would make it incumbent upon the seller to make sure in that contract for deed there is a statement that clearly says that the buyer, at the execution of that contract, becomes the owner and as such, they will be responsible for any repairs, code violations, etc. Is that not something we would have the ability to do?

Co-Chairman McKiernan said I totally endorse that but aren't we making an assumption that that actually gets read before it gets signed. **Commissioner Townsend** said well, what can we do. I didn't get a magic wand with the job. In looking at what can we do. We have the wherewithal to try to initiate and put through ordinances and put that out there. What it would do would also give these uninformed, the uninitiated, the unfortunate new owners a way out. What we're hearing, and I've heard this in my district as well, is that these types of contracts work a hardship on those who are not as well educated, those who are not as economically advantaged, and as you say, many times they think they're just entering into a rental agreement and not appreciating the full weight and scope of the responsibility that also comes with that. To the extent that that's something we can do, I would like to see that looked into. Can't solve everything, but that might be one step.

Commissioner Murguia said so this gets to what I commented earlier on in regard to the actual goals with benchmarks and standards. I, like Commissioner Townsend, have a couple of suggestions. Obviously, I think we need to immediately get the video translated into Spanish since I'm assuming the primary language is Spanish and those, at least, most affected are Spanish speakers.

The other potential solution is to reach out to those not-for-profit and for-profit organizations within our community that work directly with the Spanish speaking population and maybe have homebuyer education programs. I know that CHWC does that. I know that El Centro does that and provide that video to those organizations for free so that they can educate the population that they serve.

Another option, I do like where Commissioner Townsend was headed but I think what we have to do first and especially since obviously government can't be everything to everybody, I just happened to know about this because I've been intrigued by this opportunity for years and have never had the opportunity to tap into it. I can't remember the name of it but I'll get it to our

staff. There is a federal grant, a United States federal grant through the US District Attorney's Office. It's something about the Byrne Foundation. They're what are called Social Justice Grants. It's a very large grant for a multi-year term. It would be ideal for like Commissioner McKiernan and Commissioner Townsend's districts. I have some, but I don't have as many Spanish speaking. Most of my constituents are bilingual or speak English. My point is, is that this social justice grant will pay to hire a highly educated law firm to represent these economically disadvantaged people to represent them in cases like this. Then on the backend, they work with local governments to implement policy that allows us to go after the actual party this is causing the problem. Without spending our money on it, we're able to spend this money to do all the legwork to figure out who really is the problem in that particular situation and then actually take action in the right way and not just take action. I can help someone with that if they call me. In fact, I think that grant opportunity is coming up this year if somebody wants to apply within the Unified Government. It's clearly, Commissioner Townsend, in my opinion, a social justice issue. It's just typical poor people being taken advantage of. I don't think our local government has the capacity to fix that but we surely can help a local not-for-profit apply for some money that can hire a law firm that's capable of helping us address this issue.

Melissa Mundt, Assistant County Administrator, said I would also note that the FDIC also does a lot of work in this area and that certainly the social justice component of it is something that they are charged with working with local banks on. The confusion, I think, is if you're thinking you're entering into a rental, you wouldn't know to be looking to get homeowner assistance. I think that's where the social justice piece is really critical is people not knowing what they're getting into.

Commissioner Townsend said I just wanted to get some more clarification about another aspect of these contracts for deed that Mr. Haga talked about. If you have a contract for deed situation and let's say a neighbor calls in and says the owner/occupier has more dogs or cats, I'm just making something up, than is allowed by ordinance; you said that there are some restrictions or any other type of code enforcement. If you're on a contract for deed situation, Code Enforcement cannot enter? I'm just trying to get, again, clarification about the limitations for going into a house. **Mr. Haga** said yes, they couldn't at least in the way they can currently

anyway with a rental property. In order to investigate that type of situation, ideally we'd have to, if we couldn't get permission to enter the premises, we would actually have to go and get a search warrant based on reasonable suspicion, or probably cause I should say, regarding a possible violation and what have you just the way we enter anyone else's property to look for a potential criminal matter like having multiple, too many dogs or cats.

Commissioner Townsend asked what about a property that's not under contract for deed. Let's say me. Let's say somebody calls and says she's got too many dogs and cats in there. I'm not on a contract for deed. What is the procedure just to come in? **Mr. Haga** said again, they would basically have to search for—get a criminal search warrant in order to enter your property. The primary point of this presentation is that, at least under Kansas law, despite that the abuses, the buyer is the owner of the property. The seller is not a landlord. He is more or less a bank with a mortgage interest that if the contract is breeched, he has to foreclose on and not evict them.

Co-Chairman McKiernan said, Mr. Haga, we thank you for your presentation. I think everybody here has heard some concerns that we have about potential abuses that could and should be investigated and addressed in the future. We very much appreciate the information.

Ms. Mundt said just a clarification on the CDBG concern that was thrown out there. My understanding, and I'll confirm this, is that the federal law looks at ownership differently than perhaps our state law does. I don't know that there's a conflict there as much as if CDBG is going to be putting money into it. They want to know there's clear ownership of the property.

Co-Chairman McKiernan said well, as I said, I may have misremembered the particulars of that. **Ms. Mundt** said I don't think you misremembered it at all, in fact, but I do believe there is a distinction when using federal dollars. I can't give you the federal code of that yet at this point but I'll go find it because I do think there's a difference. **Co-Chairman McKiernan** said excellent. Thank you.

Action: For information only.

Adjourn

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Co-Chairman McKiernan adjourned the meeting at 6:51 p.m.

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March 7, 2016